



CITY OF DUNWOODY

41 Perimeter Center East

Dunwoody, GA 30346

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www.dunwoodyga.gov

MEMORANDUM

To: Honorable Mayor and City Council

From: Warren Hutmacher, City Manager

Date: July 13, 2009

Subject: **Dunwoody Convention and Visitors' Bureau Update**

The City of Dunwoody Charter (SB 82) authorizes creates a Dunwoody Convention and Visitors' Bureau (CVB).

The Mayor and Council have expressed a desire to organize a CVB as either a 501c(6) private non-profit or as a Authority under state law.

This memo will lay out the process and timeline for the Mayor and Council to organize a CVB and will also lay out the fundamental differences between a 501c(6) and an Authority, as requested by Council.

July 13th Council Meeting

Mayor and Council will advise staff regarding their preference for either a 501c(6) structured CVB or an Authority to manage tourism related activities on behalf of the City of Dunwoody. Mayor and Council will further advise staff regarding the proposed membership criteria for the CVB, i.e. – number of members, criteria for appointments, etc...

July 20th Work Session

Staff will present the following documents for Council review:

- Proposed Ordinance or Resolution organizing a CVB
- Proposed By Laws for the CVB
- Proposed management contract between the CVB and the City of Dunwoody
- Council proposed Board Members



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July 27th Council Meeting

Council will take the following actions:

- Either hold a first reading for an ordinance establishing a Authority to manage tourism related activities for Dunwoody or vote on a resolution establishing a 501c(6) to perform the same function. If an Authority is chosen, the 2nd read and vote on establishing the Authority would not be held until at least August 10th, 2009.
- For a 501c(6) – vote to propose By Laws governing the CVB
- For a 501c(6) – vote on a management contract between the 501c(6) and the City.
- For a 501c(6) – vote on board members

August 10th Council Meeting

If an Authority is chosen, the Council would vote on 2nd read of the Ordinance organizing the Authority as well as the proposed By Laws and Management Contract with the Authority at this time. In addition, board members would be voted on.

Elements of a 501c(6) and Authority

| <u>Questions</u> | <u>501c(6)</u> | <u>Authority</u> |
|--|--|--|
| Who appoints the members? | Mayor and Council | Mayor and Council |
| How many members? | Complete discretion of the Mayor and Council | Complete discretion of the Mayor and Council |
| Can the body accept grants? | Yes | Yes |
| Can the body issue bonds? | No | Yes |
| Can the body be dissolved? | Yes | Yes |
| Can an elected official serve? | Yes | No |
| Is the body a component unit of the City for audit purposes? | Depends on the makeup of the membership of the Board and the amount of financial involvement the City has in the organization. | Depends on the makeup of the membership of the Board and the amount of financial involvement the City has in the organization. |

The clear cut difference between an Authority and 501c(6) is the ability of an Authority to issue revenue bonds.